
FINANCIAL SERVICES REPUBLICAN MORNING CLIPS 11.3.2009

Wall Street Journal: "Fed Pushes Bankers on Pay Overhauls ... Federal Reserve officials told top bankers Monday they should start overhauling their employees' pay packages as soon as possible, even before the Fed finalizes its proposed compensation rules."

Wall Street Journal: "Fed's Path to Higher Interest Rates Begins to Take Shape ... An economic recovery seems to have begun, and Federal Reserve officials are thinking mostly these days about how to unwind the unprecedented stimulus they've pumped into the economy. Eventually that will mean raising interest rates."

Wall Street Journal: "Brian Sack Engineers Big Moves at Fed ... The Federal Reserve pumped \$1 trillion into the financial system during a year of harried efforts to rescue the economy. Brian Sack's job is to figure out how to get the money back out."

Wall Street Journal: "CIT's Bankruptcy Lesson ... The \$2.3 billion of Troubled Asset Relief Program money that will likely be lost in the bankruptcy of commercial lender CIT is hard to swallow, but it may be the most instructive loss taxpayers absorb all year."

Washington Post: "British break up several bailed-out banks ... The British government announced Tuesday that it will break up parts of major financial institutions bailed out by taxpayers, highlighting a growing divide across the Atlantic over how to deal with the massive banks that were partially nationalized during the height of the financial crisis."

Washington Post: "Fed gives Wall Street deadline on pay plan ... Summoned to the ornate Lower Manhattan headquarters of the New York Federal Reserve building on Monday, Wall Street's top bankers were given a Feb. 1 deadline to submit proposals for how they plan to improve their pay practices, people with knowledge of the meeting said."

Washington Post: "Goldman makes offer for Fannie Mae assets ... Goldman Sachs is proposing to buy millions of dollars in assets from struggling mortgage finance giant Fannie Mae, an offer a recent Treasury Department analysis found would not be advantageous for taxpayers, people familiar with the matter said."

Washington Post: "Crisis culprits helping lead recovery ... Two sectors that led the collapse of the economy over the past two years -- manufacturing and housing -- are now emerging as among the biggest drivers of growth, which was underscored by new data published Monday."

Washington Post: "The SEC we deserve ... In his own telling, Bernard Madoff was a version of the serial killer who leaves notes saying, "Stop me before I kill again.'"

NY Times: "Fed Leaders Meet Bankers to Stress Limits on Pay ... The heads of the nation's largest banks were summoned by Federal Reserve officials on Monday to discuss what is perhaps the most contentious issue of the post-bailout era: pay."

NY Times: "A Free Credit Score Followed by a Monthly Bill ... On television it's hard to miss the wildly popular band of slackers singing ruefully from a shabby apartment or while waiting tables in pirate regalia. The ruined credit that led to their financial misfortune might have been sparkling if only they'd tracked their status on freecreditreport.com."

NY Times: "Help Small Businesses Hire Again ... THE Great Recession is over. The solid 3.5 percent gain in gross domestic product during the third quarter proves that the longest, broadest and most severe American downturn since the 1930s has finally given way to recovery."

LA Times: "CIT Group's future remains up in the air after bankruptcy filing ... On the heels of its bankruptcy filing, CIT Group Inc.'s future as a commercial lending giant will be determined by the confidence of its creditors and customers."

LA Times: "Fed gives banks deadline to submit exec pay proposals ... The Federal Reserve on Monday gave Wall Street's top bankers a Feb. 1 deadline to submit proposals for how they plan to improve their pay practices, people with knowledge of the meetings said."

USA Today: "IMF chief: Banks haven't learned ... The head of the International Monetary Fund says banks remain saddled with too many toxic securities and have not yet shown an understanding of the need to embrace far-reaching operational reforms."

USA Today: "Fed expected to hold rates at record-low, but cracks emerge ... Even with the Federal Reserve widely expected to leave interest rates at a record low this week to nurture the fragile recovery, fissures are growing among U.S. policymakers about when to start boosting rates to head off inflation."

USA Today: "More walk away from homes, mortgages ... When Sharon Sakson was laid off recently from her job as a television writer and producer, she burned through her savings to pay the \$2,400 monthly mortgage on her home. But she soon decided it didn't make sense: Her home was worth thousands less than the mortgage she carried on it."

Reuters: "Fed to mull recovery, financial stability at policy meeting ... Federal Reserve officials meeting this week must weigh improving economic data against the risk, reinforced by a persistently weak job market, that a burgeoning recovery remains on shaky ground."

Reuters: "CIT's bankruptcy exit fraught with uncertainty ... CIT Group Inc CIT.N is looking for a quick exit from Chapter 11 protection but its long-term survival outside of bankruptcy depends in large part on what regulators will allow it to do with its various businesses."

Reuters: "CIT bankruptcy to leave small businesses concerned ... CIT Group Inc's CIT.N bankruptcy filing could push at least some small businesses it finances to look for a new lender, but finding new credit will be tough."

Bloomberg: "Wall Street Cries 'Feed Me' or World Will End: Susan Antilla ... In the musical comedy 'Little Shop of Horrors,' a dangerous and gluttonous plant dubbed 'Audrey II' signals its insatiable appetite for human blood with a baritone demand, 'feed me.'"

The Hill: "Frank urges feds to temper regulation of banks ... House Financial Services Committee Chairman Rep. Barney Frank (D-Mass.) is urging federal regulators to temper their regulation of banks and credit unions out in the field."

